

AUDITOR OF STATE[81]

Notice of Intended Action

Proposing rule making related to examination fee schedule and providing an opportunity for public comment

The Auditor of State hereby proposes to amend Chapter 21, “Filing Fees,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 11.6.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 11.6.

Purpose and Summary

The proposed rule making will amend the fee schedules for approximately 600 Iowa municipalities with populations under 2,000 and budgeted expenditures less than \$1 million. The municipalities are subject to periodic examinations by the Auditor of State pursuant to Iowa Code section 11.6. Each city is assessed an annual fee based on its annual budget. The Auditor proposes changing the fee schedule to allocate costs more equitably.

Fiscal Impact

The revised fee schedule will increase the amount of fees collected by the Auditor by approximately \$20,000 annually.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Office of Auditor of State for a waiver of the discretionary provisions, if any.

Public Comment

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Office no later than 4:30 p.m. on December 24, 2019. Comments should be directed to:

John McCormally
Office of Auditor of State
State Capitol, Room 111
Des Moines, Iowa 50319
Email: john.mccormally@aos.iowa.gov

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental

subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Amend rule 81—21.2(11) as follows:

81—21.2(11) Periodic examination fee. A periodic examination fee, as provided for under ~~2012 Iowa Acts, chapter 1107, section 2~~ Iowa Code section 11.6(11), shall be paid annually by cities that do not otherwise have an audit or fiscal year examination conducted pursuant to Iowa Code section 11.6, subsection 1 or subsection 3, during a fiscal year.

21.2(1) The fee shall be remitted according to a fee schedule using ~~four~~ five strata based on the average of actual budgeted expenditures of the original certified budget of the governmental subdivision for the previous two fiscal year years.

21.2(2) The designated strata and applicable fees are as follows:

<u>Budgeted Expenditures in Thousands of Dollars</u>	<u>Fee Amount</u>
<u>Under 50</u>	<u>\$ 100</u>
<u>At least 50 but less than 300</u>	<u>\$ 475</u>
<u>At least 300 but less than 600</u>	<u>\$ 900</u>
<u>600 or more</u>	<u>\$1,200</u>

<u>Budget Expenditures in Thousands of Dollars</u>	<u>Fee Amount</u>
<u>Under 100</u>	<u>\$ 200</u>
<u>At least 100 but less than 250</u>	<u>\$ 550</u>
<u>At least 250 but less than 500</u>	<u>\$ 800</u>
<u>At least 500 but less than 750</u>	<u>\$1,200</u>
<u>750 or more</u>	<u>\$1,500</u>

21.2(3) The fee shall be remitted to the office of auditor of state on or before March 31 each year.

This rule is intended to implement ~~2012 Iowa Acts, chapter 1107, section 2~~ Iowa Code section 11.6(11).